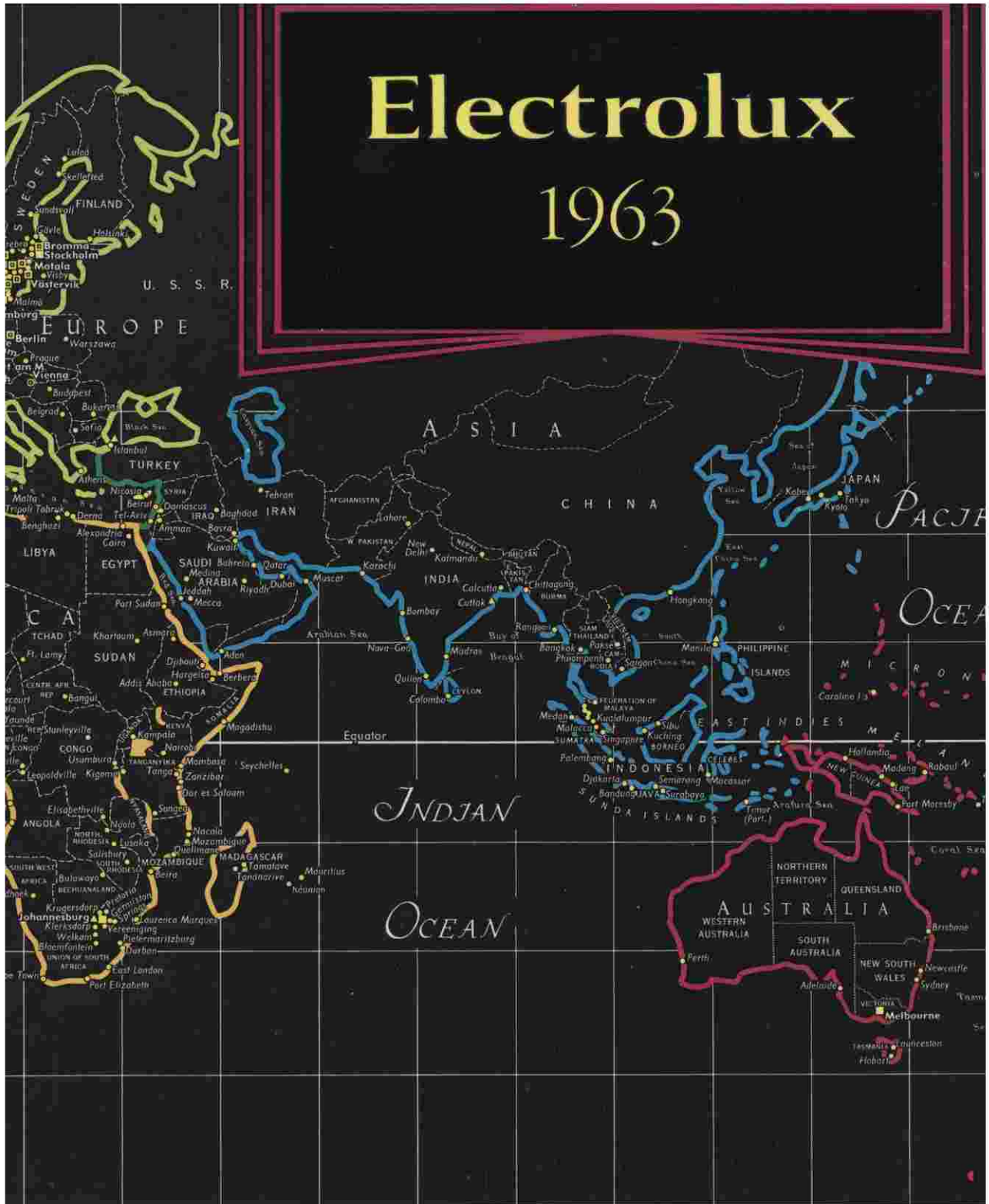


Electrolux

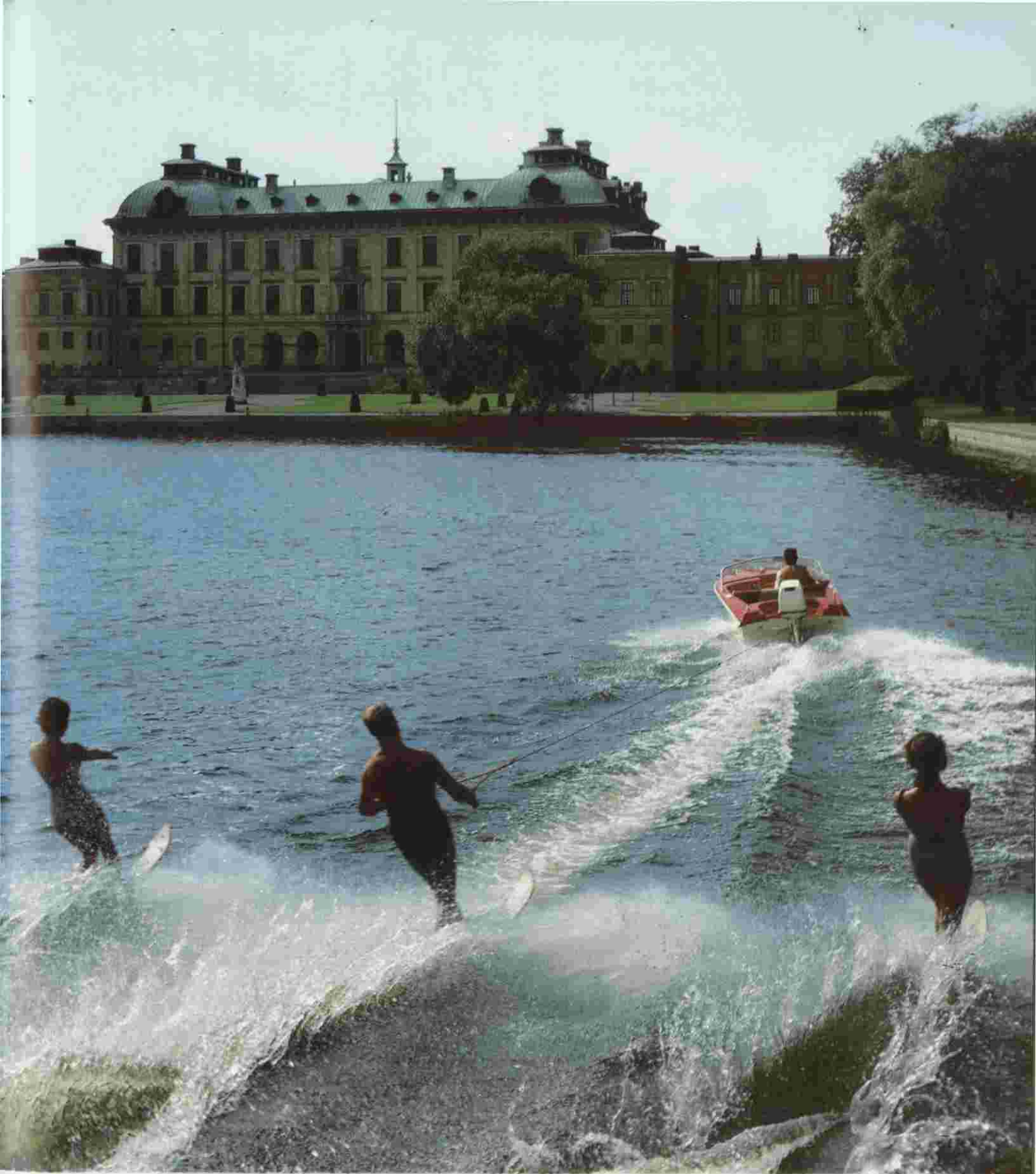
1963



REPORTS OF THE DIRECTORS AND AUDITORS

The cover map shows the world-wide Electrolux organisation. The space being very cramped, a large number of European branch offices have not been marked.

Electrolux is represented by subsidiaries and agents in more than 100 countries and has 24 factories in various countries.



As a result of efficient new production methods, the range of world-renowned Archimedes and Penta outboard motors currently manufactured is even more competitive than ever before. Outboard motors enliven longer leisure hours and offer increased opportunities for relaxation and outdoor recreation.





◀ Housework is simpler, cheaper and easier with an Electrolux "Assistant" kitchen machine. In conjunction with an Electrolux home freezer, it encourages housekeeping economy and provides greater variety and nutrition in everyday meals and party spreads alike.

▲ Electrolux crops up in every corner of the globe. Here we see a kerosene operated Electrolux refrigerator gracing a home in Pakistan.



The merger between Electrolux and Elektrohelios has furnished the Electrolux Group with an important new range of electric appliances for home and household. Helios cookers, radiators and water heaters are but a few of the appliances that are immediately recognizable by their up-to-date design and uniform styling.



AKTIEBOLAGET ELECTROLUX

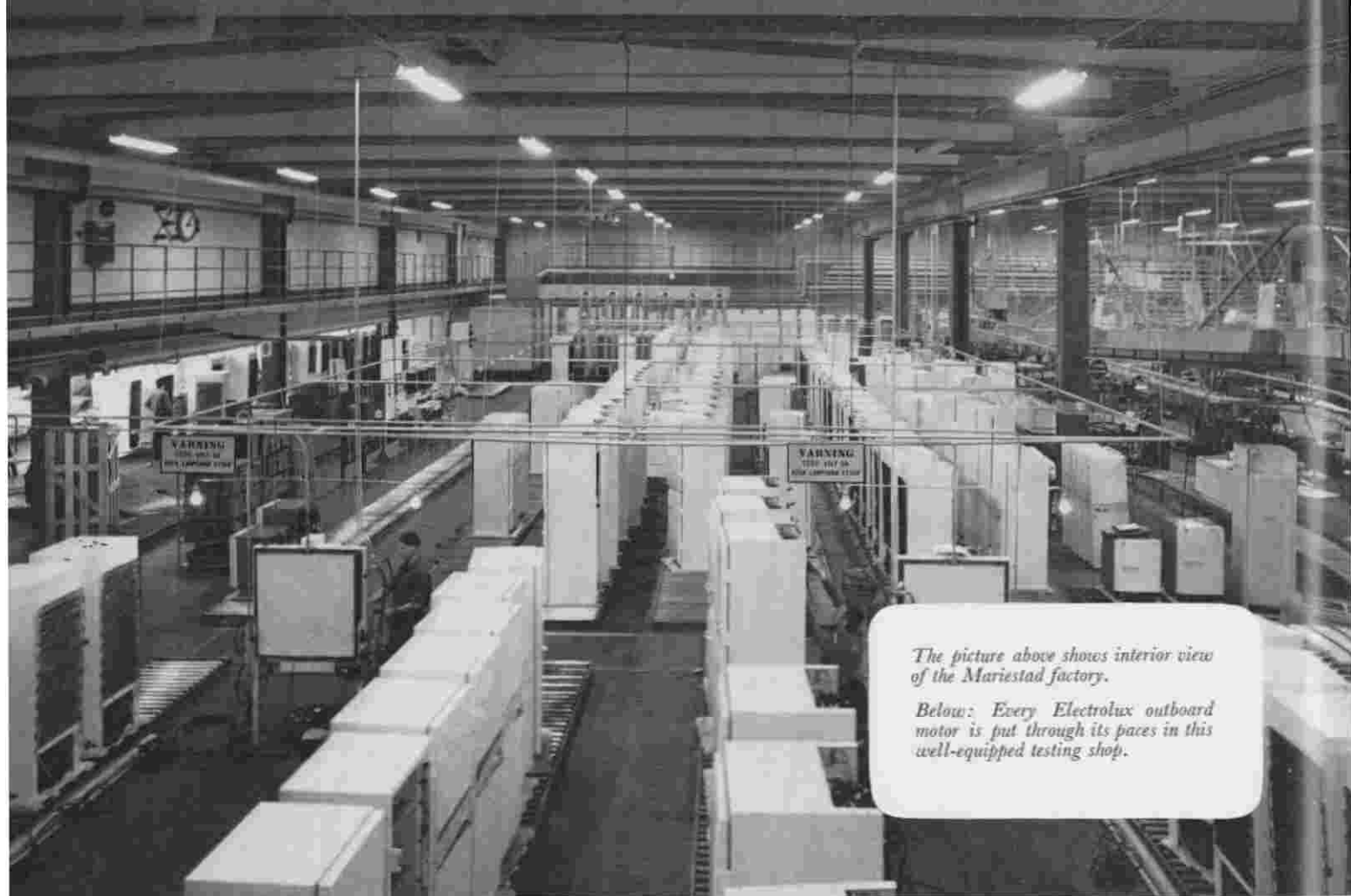
STOCKHOLM

ANNUAL REPORT 1963

The Annual General Meeting will be held on Tuesday, May 12th, 1964, at 10 a.m. at the Company's offices, Birger Jarlgatan 6, Stockholm.

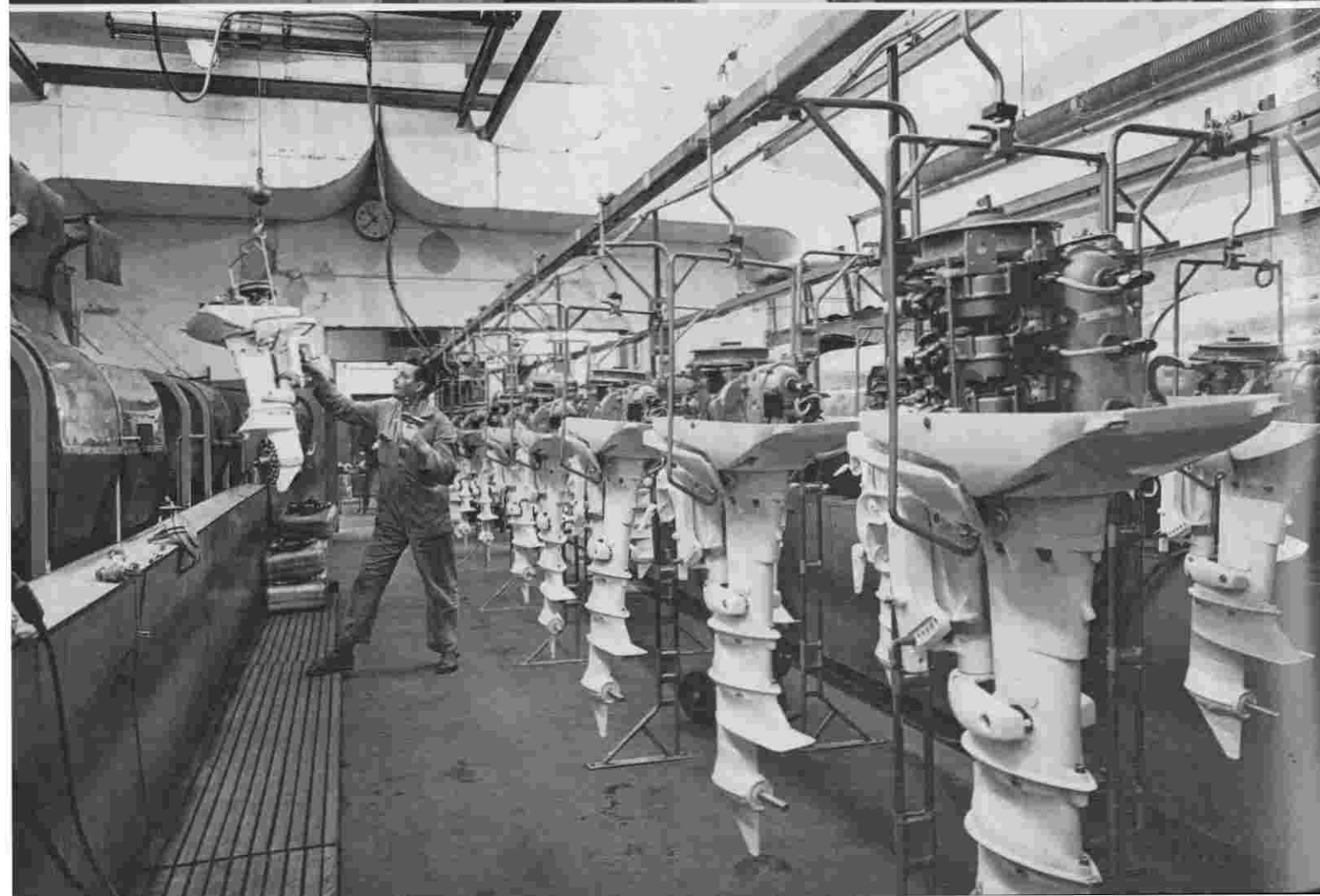
Shareholders wishing to participate in the proceedings of the Annual General Meeting must register at the offices of the Company in Stockholm not later than three clear days before such Meeting, between 10 a.m. and 2 p.m.

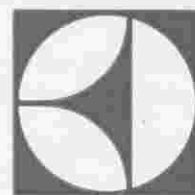
Such dividend for 1963 as may be declared at the Annual General Meeting will be paid out as from May 13th, 1964, against coupon No. 60, at the offices of the Company in Stockholm, or at the offices of Skandinaviska Banken or Stockholms Enskilda Bank in Sweden. In Great Britain, shareholders may collect the dividend from Messrs. Baring Brothers & Co. Ltd., 8, Bishopsgate, London E.C.2, and in Switzerland from MM Pictet & Cie, 6, Rue Diday, Geneva.



The picture above shows interior view of the Mariestad factory.

Below: Every Electrolux outboard motor is put through its paces in this well-equipped testing shop.





ANNUAL REPORT 1963

The Board of Directors of AB Electrolux submit herewith the Profit and Loss Statement, the Balance Sheet and their Report for the accounting year 1963.

During 1963 AB Elektroheliös has been merged with AB Electrolux, and therefore Elektroheliös' entire income and expenditure during 1963 has been incorporated in the Profit and Loss Statement for AB Electrolux, in addition to which the Balance Sheet as at 31st December, 1963, includes assets and liabilities taken over from Elektroheliös.

The Company's Net Profit for the past year amounted to Kr. 20.1 million as compared with Kr. 15.4 million for the previous year (incl. Elektroheliös' Profits).

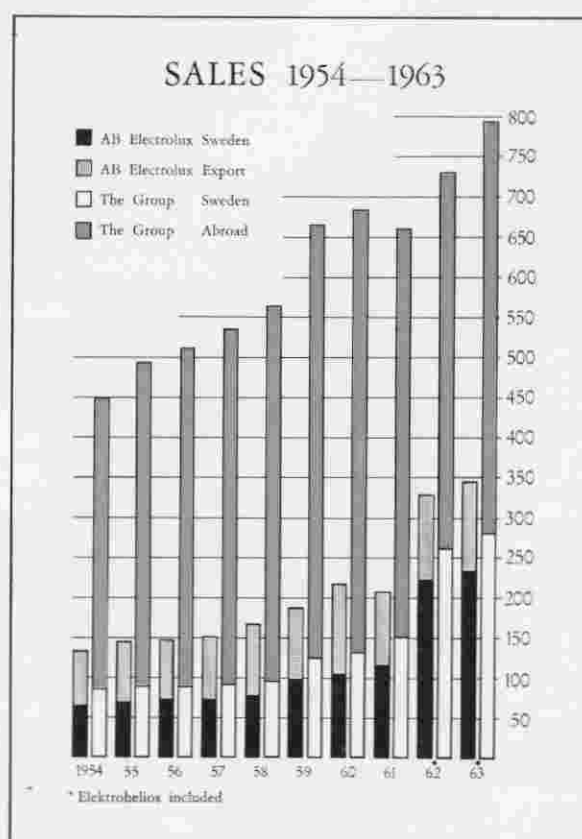
Together with the unappropriated balance of Profit for the previous year of Kr. 8.4 million there is an amount of Kr. 28.5 million at the disposal of the General Meeting.

The Board of Directors recommend that this amount be appropriated as follows:

Transfer to the Statutory Reserve	Kr.	2,000,000
For payment of a dividend to the shareholders, against coupon No. 60, of Kr. 8: — per share	»	15,200,000
Balance to be carried forward	»	11,344,850
	<u>Kr.</u>	<u>28,544,850</u>

2 YEARS' REVIEW

Parent Company	1963	1962
	(incl. Elektroheli- helios)	
Amounts in 1,000,000 Kronor		
Sales.....	345.6	330.1
Net Profit.....	20.1	15.4
Balance Sheet Total.....	405.3	410.9
Salaries and Wages.....	105.5	104.6
Number of Employees...	5,764	6,243
<i>Group</i>		
Sales.....	793.7	731.6
Group Profit.....	27.2	21.0
Salaries and Wages.....	272.4	256.2
Number of Employees...	19,167	18,853



MERGER OF ELEKTROHELIOS- ELECTROLUX

As mentioned earlier the Company has taken over the Assets and Liabilities of Elektroheli- os at their book values. A book loss of Kr. 784,000 resulted, which has been deducted from the Gross Profit, and arose in the following manner:

Electrolux' holding of shares in Elektroheli- os appeared in the books at Kr. 36 million, which was eliminated in the merger. In its place Electrolux incorporated in its Balance Sheet the entire Assets and Liabilities of Elektroheli- os. The Assets exceeded the Liabilities by Kr. 35,216,000 which thus constituted the Net Value of Elektroheli- os according to its Balance Sheet as at the 31st December, 1962. The difference between the Book Value of the Elektroheli- os shares and that Company's Net Value was thus Kr. 784,000.

In order to arrive at a better comparison with the preceding year, both Companies' figures for 1962 have been merged in this Annual Report.

SALES

Total Sales of AB Electrolux during 1963 amounted to Kr. 345.6 million, against Kr. 330.1 million for 1962. The increase thus amounted to Kr. 15.5 million (4.7 %).

The Company's deliveries to Subsidiaries in Sweden and abroad amounted to Kr. 153.5 million, while deliveries to Swedish and foreign distributors, agents and other customers amounted to Kr. 192.1 million. For 1962 the corresponding figures were Kr. 148.3 million and Kr. 181.8 million respectively.

The Company's deliveries to the Swedish Subsidiaries as also to distributors and customers in Sweden increased by Kr. 10.9 million (4.9 %) and amounted to Kr. 234.3 million, corresponding to 67.8 % of Total Sales.

Exports during 1963 were Kr. 111.3 million (32.2 % of Total Sales) as compared with 106.7 million (32.3 %) for 1962.

Total Sales of the Group amounted to Kr. 793.7 million, as against Kr. 731.6 million for 1962. Of Group Turnover Kr. 280.5 million (35.3 %) applied to customers in Sweden as against Kr. 261.3 million (35.7 %) for 1962. All internal deliveries between the various Group Companies have, as usual, been eliminated.

Sales of *cleaners and floor polishers* were the highest ever achieved in the history of the Group, and no less than 10 Subsidiary Companies established new annual records. Electrolux has thus

further consolidated its position as one of the world's largest manufacturers of suction cleaners and floor polishers. Within the EFTA Group of Subsidiary Companies, England, Switzerland and Sweden accounted for new annual records. Among EEC Subsidiary Companies, France and Belgium achieved substantial sales increases. Subsidiaries outside Europe showed, practically without exception, improved sales figures. New annual records were made by the Subsidiaries in Australia, Mexico and New Zealand.

A not inconsiderable increase in sales was achieved for the other of the Group's main products, viz. *refrigerators and domestic freezers*. Among EFTA countries the Subsidiaries in England, Norway and Sweden accounted for the largest increase, while development was less uniform in other member countries. Within EEC, France, Germany and Holland have increased their sales of refrigerators and freezers. Sales in Italy have been maintained despite severe local competition. Among non-European Subsidiaries the companies in Peru and Argentina in particular have increased their sales of refrigerators.

Sales through agents of both cleaners and refrigerators showed an increase, this being particularly notable in respect of the Parent Company's sales to the USA of refrigerators for trailers.

Sales in Sweden of *catering and sterilizing equipment, etc.* have developed very favourably during 1963. Export Sales of the catering equipment range have been further built up. Mediterranean countries with their expanding tourist industry offer new and promising markets for the catering equipment program. Orders from there have already been received.

Sales of *electric cookers* increased substantially during 1963, but profit margins remain low. Sales of *toasters, irons, radiators and rotary ironers* have also developed favourably.

Sales of *domestic dish washers* on the Swedish market showed a large increase. This also applies to *electrical fractional HP motors*. Sales of *steel shelving etc.* showed little change. Sales of *outboard motors* have during the year tended to be more and more towards larger types.

PRODUCTION

In conjunction with the merger, the following Elektroheliol factories were transferred to the Company:

the Mariestad factory, where refrigerators, upright and chest freezers are made, the Hammarby factory (Stockholm), of which the main product is electric cookers, the Alingsås factory, where catering equipment and industrial ovens are the chief products, the Borås factory, which manufactures irons, rotary ironers and toasters.

The Group's Total Production of *cleaners and floor polishers* was higher during 1963 than ever before, and exceeded the previous year's Production by nearly 20 %. The British factory at Luton accounted for the largest increase, but the French factory and the Essingen works in Stockholm also showed considerably higher production figures than during 1962.

Due to the increase in Sales, the Group's combined manufacture of *refrigerators and freezers* has increased particularly in Sweden at the new factory at Mariestad.

Within the *outboard motor division* of the Company a change towards larger types has, as already mentioned, taken place, with the result that the number of units manufactured has decreased.

Production of *electric cookers* was maintained at about the same level during 1963 as during the previous year, and since sales have simultaneously increased, there has been a decrease in stocks. Manufacture of *catering equipment and industrial ovens* at the Alingsås factory was virtually unchanged, while the production of *toasters, rotary ironers and irons* showed a substantial increase.

The construction of a new factory at Groningen in North Holland was commenced during 1962 and completed during 1963. Towards the end of the year manufacture of display freezers was started there.

RESEARCH AND NEW PRODUCTS

In conjunction with the merger between Elektroheliol and Electrolux development and research

work, which had previously been carried out at Hammarby, was moved to the Central Laboratories at Lilla Essingen. A concentration of research activities has thus taken place within the Group and considerable rationalization has been achieved, especially with regard to development of new products within the refrigeration and freezing section.

Nine new refrigerator models, three upright freezers and one chest freezer have been introduced on the market during 1963. The new efficient plastic foam insulation, mentioned in last year's Report, has been incorporated in a further number of models.

A new range of electric cookers, comprising six models, has been introduced during 1963. Of particular interest is a model which is made with a translucent switch panel which is illuminated when the current is switched on. Certain types of cookers are provided with hot plates with continuously variable heat control and considerably increased effect.

Within the field of electrical fractional HP motors, a new series of capacitor motors has been introduced on the market, suitable for

office machines and also for oil burners. Furthermore, the Company has designed a new permanent magnet motor for use with batteries, of which deliveries will commence during 1964.

The Säffle factory has commenced manufacture of the so-called "Legio" wall, a partition wall which has particularly good acoustic properties and great flexibility, and which is especially suitable for offices, schools, hospitals, laboratories etc.

During 1963 the Company introduced a new 3-cylinder outboard motor, type E-50, this being the largest motor hitherto produced at the Bromma works. Delivery of still another outboard motor, type E-20, of 17.5 HP, will commence in 1964. The Company will then market five main types of outboard motors ranging from 6 to 43 HP.

NUMBER OF EMPLOYEES—SALARIES AND WAGES

The average number of workmen employed by the Company during the year was 3,720, against 4,063 (incl. Elektroheliös) the previous year, the average number of other employees being 2,044 compared with 2,180 the year before.

Salaries, commissions and wages totalled

	1963	1962
for Directors, Managing Director and other Executives	Kr. 1,488,000	1,312,000
for Workmen	" 56,161,000	55,548,000
for other Employees	" 47,858,000	47,786,000

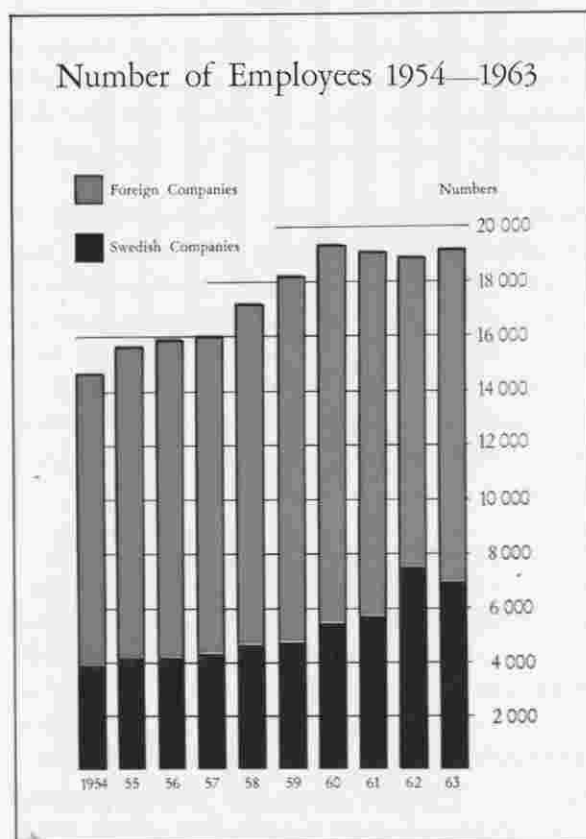
The Swedish Selling Companies employed 229 Workmen and 951 other Employees, against 222 and 984 respectively the previous year.

Salaries, commissions and wages totalled

	1963	1962
for Directors, Managing Directors and other Executives	Kr. 405,000	400,000
for Workmen	" 3,225,000	2,919,000
for other Employees	" 20,166,000	19,305,000

The Subsidiaries outside Sweden employed 4,065 Workmen and 8,158 other Employees.

Number of Employees 1954—1963



The corresponding figures for 1962 were 3,839 Workmen and 7,565 other Employees. Salaries, commissions and wages totalled

	1963	1962
for Directors, Managing Di- rectors and oth- er Executives... Kr.	3,458,000	2,958,000
for Workmen.... "	38,110,000	35,438,000
for other Employ- ees..... "	101,507,000	90,545,000

The total number of persons employed within the Electrolux Group thus averaged 19,167 against 18,853 during the preceding year. The total amount of salaries, commissions and wages was Kr. 272.4 million against Kr. 256.2 million during 1962.

COMMENTS ON THE YEAR'S ACCOUNTS

Profit and Loss Statement

"Gross Profit from Sales" has increased as compared with 1962, as a result of increased Sales and continued rationalization of production at many of the Company's factories, which has led to improved margins.

The decrease in "Royalties from abroad" is due partly to changes in terms of payment between the two years, and partly to cessation of royalty payments from the company in Canada. This company was sold at the end of 1961.

"Dividends received from Subsidiaries" increased, due mainly to dividends being received from the Subsidiaries in Great Britain and Venezuela, no corresponding amounts having been received during 1962. "Dividends received from other Companies" refers mainly to dividends on the Company's holding of shares in the Electrolux Corporation, New York.

As the Pension Funds had a Surplus, the Company has received Credit from AB Electrolux' Pension Fund of 1952 to the extent of Kr. 2.5 million, which partly offsets the National Pension Fund premiums paid during the year.

The Company's entire shareholding in Electrolux Pty. Ltd., Melbourne, Australia, was transferred in 1963 to Electrolux Ltd., Luton, Great Britain. The consideration amounted to £2 million stg. (Kr. 28.9 million) which was satisfied by a new issue of shares in Electrolux Ltd.,

Luton, totalling £2 million stg. nominal value. As the Australian shares stood in the books at Kr. 10 million, an accounting profit of Kr. 18.9 million arose on the transfer which amount has been applied to writing down the value of the Company's shareholdings in foreign Subsidiaries.

During the previous year the Company showed, under the heading of "Expenses", the costs of both administration and sales. In this year's Report only "General Administration Expenses" have been shown, in accordance with the regulations laid down in the Swedish Companies' Act.

Balance Sheet

Only net book values are shown for Buildings, Machinery, Inventories etc.

Buildings which were owned by AB Elektroheliös have, in conjunction with the merger, been transferred during 1963 to AB Electrolux' ownership. In comparing the Balance Sheets of 1963 and 1962, it will be seen that the book value of Buildings has decreased by Kr. 1.2 million. This represents the difference between depreciation for 1963, amounting to Kr. 1.7 million, and acquisitions, alterations etc. during 1963, which amounted to Kr. 0.5 million for both Companies together.

Purchase of Machinery, Office Furniture, Motor Cars etc. amounted during 1963 to Kr. 5.4 million as compared with Kr. 8.8 million for 1962 (both years include Elektroheliös). In addition, the Investment Fund has been used to the extent of Kr. 1.5 million during 1963 for the purchase of Machinery etc.

The Company's "Land, Factory and Office Buildings" had an assessed value of Kr. 56.7 million at the end of the year (including an item for special value of machinery of Kr. 4.0 million), and was insured against fire for Kr. 122.9 million. "Machinery, Office Furniture, Motor Cars etc." were insured against fire for Kr. 211.7 million.

"Shareholdings in Subsidiary Companies" have increased during the year by Kr. 0.5 million in respect of the Share Capital of a newly formed company called Elektroheliös Selling Company, which in Sweden markets products bearing the Elektroheliös name. Shares in N.V. Elektro-

helios Belgium S.A. in Brussels, have been eliminated as a result of that company having been merged with Electrolux S.A. in Brussels. Furthermore, DM 130,000 of the Share Capital of Elektroheliös G.m.b.H., Frankfurt am Main, as also Dfl. 52,000 nominal of the Share Capital in Electrolux (Nederland) Productie N.V., Groningen, have been sold. As already mentioned above, all shares in Electrolux Pty. Ltd., Melbourne, have been transferred to Electrolux Ltd., Luton.

Towards the end of 1961 the Company bought a further 130,000 shares in Electrolux Corporation, New York, for a consideration totalling Kr. 23.5 million, to be paid by several instalments. Final settlement and delivery of the shares took place in December 1963, and this explains the increase of "Shareholdings in other Companies".

Stocks at Swedish factories in the 1963 Balance Sheet have been incorporated at the lowest net value permitted by tax regulations.

"Miscellaneous Receivables" at the end of 1962 included inter alia part payments for the purchase of 130,000 shares of Electrolux Corporation above mentioned. In conjunction with delivery of the shares, the part payments have been transferred to the item "Shareholdings in other Companies", this being the main explanation of the decrease in "Miscellaneous Receivables" during 1963.

Relatively long term "Mortgage Loans" have been taken over from Elektroheliös as a result of the merger.

A new Pension Fund has been formed during the year, called the Electrolux Group PRI Fund. From the beginning of 1964 the Elektroheliös Pension Fund has, with official permission, been merged with the AB Electrolux' Pension Fund of 1952.

The combined assets of the Pension Funds exceeded the pension reserve for non-insured pension obligations entered into by the Company, for which reason the requisite transfer to the PRI Fund has been made from the AB Electrolux' Pension Fund of 1952. From the surplus on

this Fund the Company, as mentioned above, has received a Credit of Kr. 2.5 million in accordance with current tax regulations. "Other Pension Funds" have been credited with Interest. The two latter factors explain the change in the Company's debt to these Pension Funds.

The reduction in the "Reserve for unrealized profit in, and writing down of, stocks at Subsidiaries" is largely due to that part of the reserve which was applicable to the Swedish Selling Companies having been transferred to the corresponding Subsidiary Companies' accounts.

Consolidated Balance Sheet

In preparing the Consolidated Balance Sheet, embodying AB Electrolux and all Subsidiaries (incl. Elektroheliös' Subsidiaries) at the end of the year, the Balance Sheets of foreign Subsidiaries have mostly been converted into Swedish Kronor at somewhat less than official buying rates by banks at the end of the year.

"Land, Factory and Office Buildings" include the factory which was completed during the year in Groningen.

The increase in "Sundry Shareholdings" is due to AB Electrolux' purchase of 130,000 shares in Electrolux Corporation.

"Customers' Outstandings and Bills Receivable" has risen by Kr. 27 million, this increase being largely attributable to customers in England and Sweden.

The decrease in "Miscellaneous Receivables" is chiefly due to payments on account, which the Parent Company made until the end of 1962 for the acquisition, already mentioned, of 130,000 shares in Electrolux Corporation, having been transferred to the item "Sundry Shareholdings" in conjunction with final payment and delivery of the shares.

The result of the 1963 year's activities of the Parent Company and its Subsidiaries is a Profit of Kr. 27.2 million, in accordance with the Consolidated Balance Sheet. For 1962 the corresponding figure was Kr. 21 million.

The result of the Company's operations during the year 1963 is shown by the following

PROFIT AND LOSS STATEMENT

	1963 Amounts in 1000 Kronor	1962 ¹ Amounts in 1000 Kronor
<i>Income:—</i>		
<i>Gross Profit from Sales</i>	39,601	25,829
<i>Royalties from abroad</i>	11,357	14,250
<i>Dividends received:—</i>		
From Subsidiaries	6,250	1,746
From other Companies	3,025	2,601
	9,275	4,347
<i>Interest received:—</i>		
From Subsidiaries	261	448
Other interest received, etc.	945	1,078
	1,206	1,526
<i>Credit from Electrolux¹ Pension Fund of 1952</i>	2,530	—
<i>Capital Gain on sale of shares in a Subsidiary Company</i>	18,900	—
	82,869	45,952
<i>Expenses:—</i>		
Allocation to Investment Fund	8,000	—
Depreciation on Buildings	1,745	1,462
Depreciation on Machinery, Furniture, etc.	7,528	7,405
General Administration Expenses	7,842	7,165
Writing-down of the book value of Shareholdings in Subsidiaries	19,024	—
Writing-down of the book value of Sundry Shareholdings	268	10
Interest paid	1,742	2,125
	46,149	18,167
	36,720	27,785
<i>Provision for Taxes</i>	16,588	12,349
<i>Net Profit for 1963 and 1962 respectively</i>	20,132	15,436

¹ To facilitate comparison between the years, regrouping of the figures given in the 1962 Report has been made when necessary.

The position of the Company as at December 31st, 1963, is shown by the following

BALANCE

ASSETS	1963		1962 ¹	
	Amounts in 1000 Kronor		Amounts in 1000 Kronor	
<i>Fixed Assets:—</i>				
Land, Factory and Office Buildings . . .		44,410		45,595
Machinery, Office Furniture, Motor Cars, etc.		15,278		17,399
Prepayments on Fixed Assets under construction		613		742
Shareholdings in Subsidiary Companies	71,211		70,987	
Shareholdings in other Companies	54,629		31,080	
	<u>125,840</u>		<u>102,067</u>	
<i>Less: Reserve for Depreciation</i>	16,000	109,840	16,000	86,067
Guarantee Deposits		150		149
Patents		0		0
		<u>170,291</u>		<u>149,952</u>
 <i>Blocked Investment Account at Sveriges Riksbank (Bank of Sweden)</i>		5,080		5,480
 <i>Current Assets:—</i>				
Inventories of Merchandise		47,099		49,340
Sundry Bonds and Notes Receivable . . .		446		507
Due by Subsidiary Companies		98,008		101,869
Customers' Outstandings and Bills Receivable		47,787		41,434
Miscellaneous Receivables		5,900		20,751
Deferred Charges		93		21
Cash at Banks, Post-Office, and on Hand	30,638	<u>229,971</u>	41,547	<u>255,469</u>
		<u>Total 405,342</u>		<u>Total 410,901</u>

¹ Inclusive of Elektrohelios.

SHEET

LIABILITIES

	1963		1962 ¹	
	Amounts in 1000 Kronor		Amounts in 1000 Kronor	
<i>Long Term Liabilities:—</i>				
Mortgage Loan	9,653		10,490	
Bank Loans	—		10,546	
ABElectrolux' Pension Fund			8,225	
By previous allocations	8,225		8,225	
Other Pension Funds	21,542		23,458	
Due to Subsidiary Companies	1,305	40,725	817	53,536
<i>Current Liabilities:—</i>				
Due to Suppliers	20,900		26,478	
Miscellaneous Payables	10,189		8,940	
Accrued Charges	17,766		19,326	
Taxes Payable	7,393	56,248	1,552	56,296
<i>Reserve for unrealized profit in, and writing down of, stocks at Subsidiaries</i>		18,849		26,111
<i>Investment Fund</i>		19,975		13,504
		135,797		149,447
<i>Share Capital and Surplus:—</i>				
Share Capital: 160,000 "A" shares	16,000		16,000	
1,740,000 "B" shares	174,000		174,000	
1,900,000 shares	190,000		190,000	
Statutory Reserve	36,000	226,000	34,000	224,000
Reserve for Contingencies		15,000		15,000
Profit and Loss Account:—				
Balance as at Dec. 31st, 1962 and 1961	23,238		21,180	
<i>Less: Allocation decided at General Meeting in May, 1963 and 1962:—</i>				
Transferred to the Statutory Reserve	./. 2,000		./. 2,000	
Dividend/. 12,825		./. 10,800	
Difference on merger of Elektroheliös' and Electrolux' Balance Sheets	8,413		8,380	
	—		./. 1,362	
Net Profit for the year	20,132	28,545	15,436	22,454
		Total 405,342		Total 410,901
<i>Contingent Liabilities</i>		19,494		15,147
(whereof in respect of discounted Bills Receivable)		(0)		(836)
<i>Mortgages on Buildings pledged</i>		15,867		16,051
<i>Right to mortgage Buildings</i>		—		5,000
<i>Floating Mortgages pledged</i>		2,300		3,800

SHAREHOLDINGS IN SUBSIDIARY COMPANIES

		Book Value Amounts in 1 000 Kronor
AB Archimedes, Stockholm	15,000 shares	750
AB Carex, Stockholm	50 »	5
Centralkassan AB, Stockholm	1,000 »	100
AB Elektro-Apparat, Alingsås	1,000 »	500
Elektro-Helios Fastighets AB, Alingsås	100 »	100
Elektroheliol Försäljnings AB, Stockholm	5,000 »	500
Electrolux Svenska Försäljnings AB, Stockholm	60,000 »	6,000
AB Lux, Stockholm	200 »	20
AB Penta Utombordsmotorer, Stockholm	250 »	25
AB Sollidenverken, Borås	6,500 »	650
Försäljnings AB Volta, Stockholm	2,000 »	200
		8,850
Shares in foreign Subsidiaries (not specified in the Annual Report)		62,361
		Kr. 71,211

SHAREHOLDINGS IN OTHER COMPANIES

		Book Value Amounts in 1 000 Kronor
Electrolux Corporation, New York	480,000 shares	54,629
Kalinga Svenska Ltd., Calcutta	3,498 »	—
La Maison de Suède à Paris, S. A., Paris	400 »	—
AB Sukab, Stockholm	17 »	—
Svensk Interkontinental Lufttrafik AB (S.I.L.A.), Stockholm	4,000 »	—
AB Svensk Värmemätning C. B. System, Stockholm	650 »	—
Svenska MTM-Gruppen AB, Stockholm	1 share	—
TV-främjandet, AB Television & Co., Stockholm	10 shares	—
		Kr. 54,629

The Board of Directors take this opportunity of thanking all employees of the Electrolux Group for the interest and enthusiasm with which they have carried out their work during the past year. They also convey their thanks to agents, distributors and other customers in all parts of the world for the confidence they have shown in the Company and its products.

Stockholm, March 20th, 1964

RAGNAR SÖDERBERG

SVEN SALMONSON

CARL TRYGGER

WALTER WEHTJE

STEN WIDELL

ÅKE T. VRETHEM

HARRY WENNBERG
Managing Director

/ H. ERIKSSON

While referring to our Audit Report we confirm that the Profit & Loss Statement and Balance Sheet, included in the Annual Report, agree with the Accounts of the Company.

Stockholm, in April 1964

EBBE RYBECK
*Auditor, authorized by
Stockholm's Chamber of Commerce*

ARNE HOLMÉN
*Auditor, authorized by
Stockholm's Chamber of Commerce*

The position of the Electrolux Group as at 31st December, 1963, is shown by the following Consolidated Balance Sheet, which also sets out the result of the operations of the Group as a whole during 1963.

THE ELECTROLUX

COMPARATIVE CONSOLIDATED BALANCE

ASSETS

Fixed Assets:—

	<i>1963</i> Amounts in 1000 Kronor	<i>1962</i> Amounts in 1000 Kronor
Land, Factory and Office Buildings	93,352	93,785
Machinery, Office Furniture, Motor Cars, etc.	31,001	29,169
Prepayments on Fixed Assets under con- struction	613	741
Sundry Shareholdings	38,629	16,157
Guarantee Deposits	1,163	1,058
Patents, Trade Marks and Goodwill	<u>0</u>	<u>0</u>
	164,758	140,910

Blocked Investment Account at Sveriges

<i>Riksbank (Bank of Sweden)</i>	5,080	5,480
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Current Assets:—

Inventories of Merchandise	164,432	171,782
Securities	12,940	12,855
Customers' Outstandings and Bills Re- ceivable (less Reserves for Hire Pur- chase Interest and Doubtful Accounts)	249,986	222,770
Miscellaneous Receivables	14,474	25,424
Deferred Charges	5,776	3,917
Cash at Banks, Post-Office, and on Hand	<u>52,723</u> <u>500,331</u>	<u>58,500</u> <u>495,248</u>

Total 670,169

Total 641,638

CONCERN

SHEET AS AT 31ST DECEMBER, 1963 AND 1962

LIABILITIES	1963 Amounts in 1000 Kronor		1962 Amounts in 1000 Kronor	
<i>Long Term Liabilities:—</i>				
Mortgage Loans	13,936		11,866	
Staff Pension Funds	<u>34,325</u>	48,261	<u>35,423</u>	47,289
<i>Current Liabilities:—</i>				
Bank Loans	49,082		60,091	
Due to Suppliers	53,276		48,724	
Miscellaneous Payables	24,518		21,963	
Accrued Charges	46,050		45,140	
Taxes Payable	<u>36,656</u>	209,582	<u>26,989</u>	202,907
<i>Investment Fund</i>		<u>19,975</u>		<u>13,504</u>
		277,818		263,700
<i>Share Capital and Surplus:—</i>				
Share Capital	190,000		190,000	
Statutory and Legal Reserves	84,182		78,825	
Reserve for Contingencies	15,000		15,000	
Balance of Profit carried forward from previous years	75,931		73,120	
Total Net Profit for the year	<u>27,238</u>	<u>392,351</u>	<u>20,993</u>	<u>377,938</u>
		<u>Total 670,169</u>		<u>Total 641,638</u>
<i>Contingent Liabilities</i>		20,109		15,160

Produced for the audit:

EBBE RYBECK

*Auditor, authorized by
Stockholm's Chamber of Commerce*

ARNE HOLMÉN

*Auditor, authorized by
Stockholm's Chamber of Commerce*

Stockholm, March 20th, 1964

HARRY WENNERBERG

/ H. ERIKSSON

AUDITORS' REPORT

As auditors of Aktiebolaget Electrolux we beg to submit the following Auditors' Report for the year 1963.

We have checked the Annual Report, examined the Accounts, Minutes of Meetings and other documents giving information on the financial position and administration of the Company, and carried out other examinations deemed necessary.

The Accounts have been checked by the Company's internal auditors who have submitted to us reports of their examinations. These have partly been carried out by means of random tests.

The regulations laid down in the Companies' Act relative to the accounting of shareholdings and consolidated accounts have been observed.

The accounts of Aktiebolaget Electrolux' Pension Fund, established as per law of June 18th, 1937, and administered by the Company's Board, have been examined by us.

During the audit we have found no grounds for adverse criticism of the documents presented to us, the Company's Accounts, the verification of the assets or the administration of the Company.

The Board of Directors recommend that the Surplus available, as per the Balance Sheet, be appropriated as follows:

Transfer to the Statutory Reserve	Kronor	2,000,000
For payment of a Dividend to the shareholders, against coupon No. 60, of Kr. 8: — per share	"	15,200,000
Balance of Surplus to be carried forward	"	11,344,850
	<u>Kronor</u>	<u>28,544,850</u>

This proposal is not at variance with the regulations of the Companies' Act in respect of appropriation to Reserve Funds or with good commercial practice with regard to the position of the Group and to the result of its activity.

We recommend

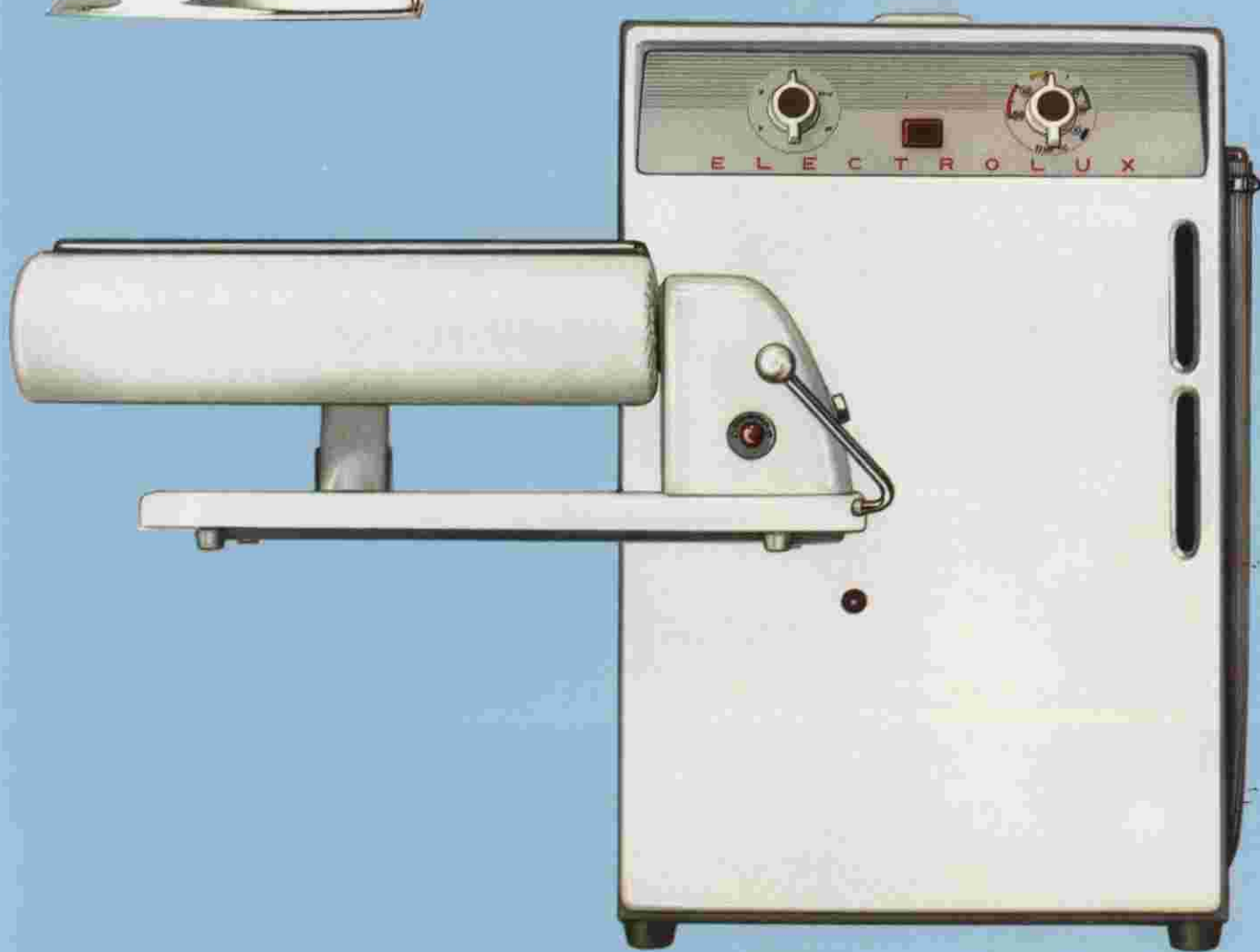
- that* the Balance Sheet as at December 31st, 1963, included in the Annual Report and signed by us be approved,
- that* the available Surplus be allocated in accordance with the above proposal, and
- that* the Directors be granted discharge for the past financial year's administration.

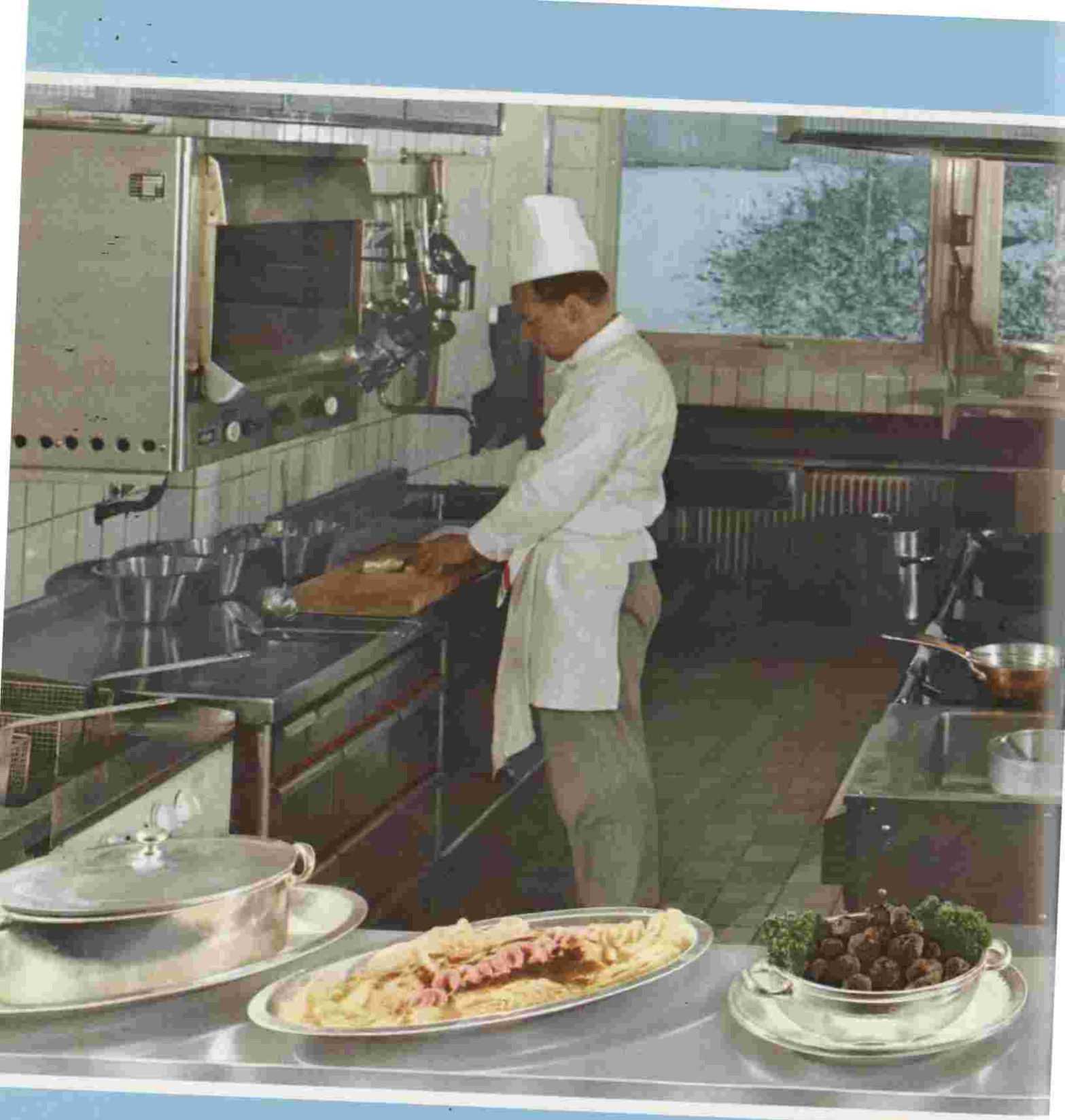
Stockholm, in April 1964

EBBE RYBECK
*Auditor, authorized by
Stockholm's Chamber of Commerce*

ARNE HOLMÉN
*Auditor, authorized by
Stockholm's Chamber of Commerce*

A modern and efficient Electrolux washing machine may be augmented by a rotary ironer and electric iron manufactured in factories formerly owned by Elektrohelios.







Elektroheliös catering equipment comprises a big new group of products in the Electrolux range. Modern Elektroheliös large-scale kitchens ensure speedy service for patrons as well as less labour and more congenial working conditions for restaurant staff.



Electrolux refrigerator, model L 43.



Electrolux dish-washing machine, model D 10.

More than five million Electrolux and Elektroheliös household appliances have now been installed in Swedish homes. This is equivalent to close on two appliances in every Swedish household. Today, household appliances made by the Electrolux Group can handle practically every kitchen chore conceivable, from food storage in freezers and refrigerators, via cooking in electric ranges to washing up in practical dish-washing machines.

BOARD OF DIRECTORS AND
AUDITORS OF AB ELECTROLUX
elected at the Annual General Meeting in 1963

BOARD OF DIRECTORS

Ordinary Members

Ragnar Söderberg, Chairman
Sven Salmonson
Carl Trygger
Walter Wehtje
Sten Widell
Åke T. Vrethem
Harry Wennberg, Managing Director

Deputies

Arne M. Hofving
Ebbe Svensson
Nils Wollart

AUDITORS

Ordinary Auditors

Ebbe Rybeck
Arne Holmén

Deputies

Bruno Svensson
Sigurd Löfgren



H OFFICE
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